

~~CONFIDENTIAL~~

13 SEP 1955

TO : Deputy Director (Support)
SUBJECT: Revised Classification Plan

Document No. 601
No Change in Class. <input type="checkbox"/>
<input type="checkbox"/> Reclassified
Class. Changed to TS 8
Next Review Date: 1988
Auth: HR 10-3
Date: 29 DEC 1978

1. PROBLEM:

To review the present Agency classification and salary administration policies, assignment and promotion policies, with a view to recommending changes to more fully meet the Agency needs for career planning and development, program accomplishment, control of salaries, and to streamline administrative operating procedures.

2. ASSUMPTION:

It is essential for senior Agency officials to know on a continuing basis the staffing requirements for various components, where personnel are assigned, how they are utilized, what they accomplish and cost, as well as to assure that the personnel resources of the Agency are initially procured, adequately developed and paid, and fully utilized to the best advantage of the Agency and the individual.

3. FACTS BEARING ON THE PROBLEM:

- Agency T/O's are used as the mechanism to establish organizational structure and staffing requirements in terms of number as modified by ceiling controls. Also individual positions when classified determine the category and grade level of employees authorized. This then becomes the framework for the recruitment, initial assignment, promotion, and rotation of employees as well as other personnel actions and reporting procedures.
- The Director is responsible to the President, the Congress and the Bureau of the Budget to exercise prudent judgment in establishing and adjusting the salaries of Agency employees within the framework of other government salaries; although specifically excepted from the Classification Act of 1949, as amended, the Director has administratively determined that the Agency would apply the principles of that Act insofar as practicable.

~~CONFIDENTIAL~~

78-4718
B+ 51 729
231109

CONFIDENTIAL

- c. The Classification Act principle of classifying the job to be done with that determination being a major controlling factor in the assignment and promotion of employees is not fully responsive to needed operational flexibility and career development requirements of the Agency.

4. DISCUSSION:

- a. It is essential that the Agency have a systematic manner of determining, utilizing and accounting for our personnel resources. Manpower requirements need to be identified and accounted for in order to know what employees are doing, where they are, what they cost, and who is responsible for them. The position or assignment should continue to be the basic unit of organization outlining particular duties and responsibilities to be accomplished and the skills and qualifications necessary to perform such tasks.
- b. The Classification Act of 1949 actually embraces two separate and distinct plans:
 - (1) A pay plan used to determine the compensation of employees which includes a salary schedule, subject to periodic change by Congress to recognize economic and other factors affecting the determination of wages.
 - (2) The second plan provides for a grouping of positions based upon their duties, responsibilities and qualification requirements into a system of occupational titles, series and grades which is used for various purposes of personnel administration, such as assignment, promotion, reduction in force, etc.
- c. The Classification Act principle of classifying the job to be done with that determination being a major controlling factor in the assignment of a particular employee and what he is paid does not fully meet needed operational flexibility and career development requirements of the Agency.
- d. The Hoover Commission Report to the Congress in 1955 criticized the Classification Act as: (a) having too many grades, (b) requiring too much paperwork for small differences in pay, (c) having little flexibility in setting pay rates, (d) little difference between top and bottom pay rates.

CONFIDENTIAL

SECRET

CONFIDENTIAL

- e. The Hoover Commission Report further states that the present government system of personnel administration does not adequately identify and recognize competence, nor systematically develop the talents of its employees. Also, that the system over-emphasizes positions, not people. The recommended solution to these problems at the top management level is the creation of a Senior Civil Service, the main features of which are: (1) personal-rank status, (2) flexibility in job assignment, (3) obligation to serve where needed, and (4) adequate compensation.
- f. There are many advantages for the Agency to continue following the Classification Act pay plan in our dealings with the Bureau of the Budget, the Congress, and the President, as well as to provide us with a systematic method of periodically adjusting our salary levels and for other internal Agency administration purposes.
- g. While CIA has made substantial modifications from normal Government practice in applying the principles of the Classification Act, additional modification is needed to enable operating offices to meet changing requirements with a minimum of delay and administrative overhead, to provide necessary flexibility in the assignment of employees to various types of work which will increase their usefulness and value to the Agency and to develop firmer occupational categories for career development objectives.
- h. Agency attempts to implement a competitive promotion system, in a manner similar to the Armed Forces and the Foreign Service and which appears to be an inherent component of most career programs, have encountered difficulties. In particular, the Classification Act principle of requiring an employee to be assigned to a position in the higher grade before being eligible for promotion has created assignment problems in view of the Agency's changing priorities, overseas and headquarters rotation, unique area and language requirements and similar matters.
- i. The complex nature of Agency activities makes it impossible for one employee to become expert in all fields. It is important that we recognize this principle in determining our career development objectives. The Armed Forces, in particular the Air Force and Navy, with similar problems caused by a large variety of complex occupations have established career fields or groupings such as Engineering, Combat and Operations, etc. Major career development is concentrated within such a broad occupational grouping thereby reducing training and orientation time to a minimum.

~~SECRET~~ **CONFIDENTIAL**

SECRET

- j. The present Agency Career Board structure has tended to group career jurisdiction according to functional specialization such as Communications, Logistics, etc., although there are certain exceptions to this pattern. Agency job assignments covering similar duties and qualification requirements should be identified as to Career Board jurisdiction and grouped into a systematic pattern for career development and utilization purposes. The revised CIA occupational plan should be broadened, understood and used for all personnel management purposes rather than just for pay purposes.

CONFIDENTIAL

5. CONCLUSIONS:

- a. Continue to utilize the Pay Schedule of the Classification Act but modify the application of Classification Act principles as follows:
- (1) Grade level classification of individual positions should be used to determine the total composition of a particular Career Service but should not restrict the assignment of an employee of higher grade. Thus each Career Service would be authorized a particular number of GS-15's, GS-14's, etc.
 - (2) Employees one grade lower, the same grade, or one grade higher could be assigned to a particular position, thereby giving a three grade range of flexibility.
 - (3) While every effort should be made to assign an employee to a position commensurate with his grade in order to fully utilize his skills and minimize morale problems, he may be assigned to a position of a lower grade in accordance with the criteria outlined in Regulation
 - (4) Employees may be promoted while serving in a position one grade lower providing it is merited based upon the competitive evaluation of the employees' accomplishments and value to the Agency, if the total number of employees in the higher grade in that Career Service does not exceed the authorized number by category and grade.
- b. Designate all positions on Staffing Complements according to Career Service jurisdiction based upon which Career Service would normally approve the assignment of employees to that position. Compute the total number of positions accruing to each Career Service from the

25X1

- 4 -

CONFIDENTIAL

~~SECRET~~

CONFIDENTIAL

Staffing Complements by category and grade level which together with the Development Complement assigned to their Service becomes the ceiling and composition of each Career Service.

- c. Eliminate grades GS-8 and GS-10 and accordingly revise the normal progression of various jobs, in particular those in the technician and supervisory clerical categories.
- d. Utilize the within grade steps of the Classification Act Pay Schedule to provide necessary flexibility in rewarding outstanding accomplishment and providing additional incentive.
- e. Review the possibility of establishing an Agency-wide Clerical Career Service for the recruitment and development of employees through the GS-6 level after which they would be assigned to another appropriate service. Such review should explore the need for exceptions based on the existence of highly specialized clerical work which is not reasonably interchangeable with other Agency clerical assignments. Also attempt to reduce the number of clerical categories and streamline classification procedures by use of a point-rating system and other techniques.

6. RECOMMENDATIONS:

- a. That you approve the above conclusions in principle.
- b. That you present these conclusions to the Career Council for their concurrence.
- c. That a Task Force composed of appropriate representatives of the DD/P, the DD/I, and various segments of the DD/S develop implementing procedures and report on the feasibility of the proposal upon detailed examination and discussion. Detailed Staff Studies on most of these proposals are available.

25X11A9A

OD/Pers: kf(13 Sep 55)

Distribution:

- 0 - D/Pers
- 2 - DD/S
- 1 - Comptroller
- 1 - C/PAD
- 1 - C/PED

APPROVED:

SIGNED

Harrison G. Reynolds
Director of Personnel

L. K. WHITE
Deputy Director (Support)

DATE: _____

CONFIDENTIAL